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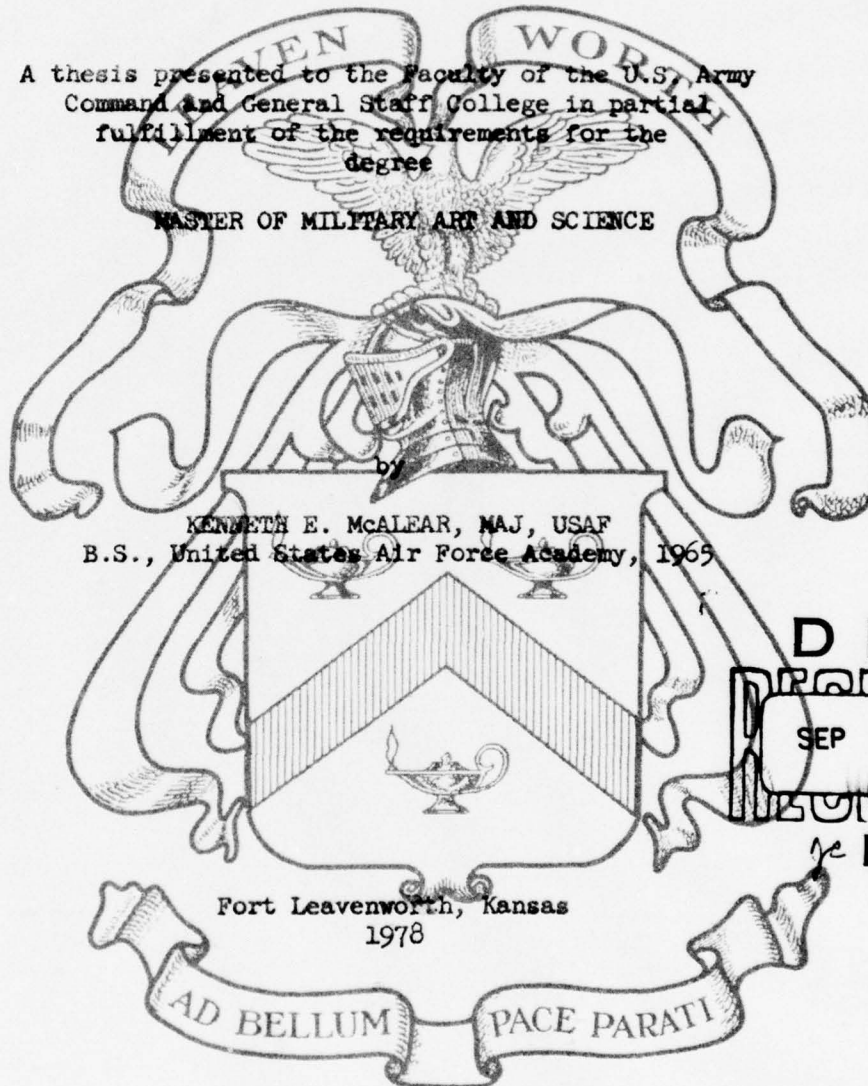
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THE AVIATION CAREER INCENTIVE ACT OF 1974: AN
ANALYSIS OF SHORT-RANGE RESULTS IN THE
UNITED STATES AIR FORCE, 1974-77

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A thesis presented to the Faculty of the U.S. Army
Command and General Staff College in partial
fulfillment of the requirements for the
degree

MASTER OF MILITARY ART AND SCIENCE



by
KENNETH E. McALEER, MAJ, USAF
B.S., United States Air Force Academy, 1965

Fort Leavenworth, Kansas
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Analysis reveals that the Act is not the panacea that Congress thought it would be. Attraction to a flying career, while still not a problem, has apparently not been effected by the Act. Retention of young pilots and navigators has not improved appreciably, if at all, since passage of the Act. Costs for flight pay in the Air Force have gone down, but so has the size of the force. While most rated officers are currently meeting their gates, this may not be indicative of future results due to liberal, implementing, credit policies and the gradual decline of flying opportunities. While this analysis is based on a short period of time, the results indicate a need for close monitoring and re-examination of the flight pay system by the U.S. Air Force.

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The opinions and conclusions expressed herein are those of the individual student author and do not necessarily represent the views of either the U.S. Army Command and General Staff College or any other governmental agency. (References to this study should include the foregoing statement.)

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Analysis reveals that the Act is not the panacea that Congress thought it would be. Attraction to a flying career, while still not a problem, has apparently not been effected by the Act. Retention of young pilots and navigators has not improved appreciably, if at all, since passage of the Act. Costs for flight pay in the Air Force have gone down, but so has the size of the force. While most rated officers are currently meeting their gates, this may not be indicative of future results due to liberal, implementing, credit policies and the gradual decline of flying opportunities. While this analysis is based on a short period of time, the results indicate a need for close monitoring and re-examination of the flight pay system by the U.S. Air Force.

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CHAPTER I

INTRODUCTION

Origin of Flight Pay

Flight pay is remuneration for duty performed as a crewmember in aerial flight. It has been a part of the United States military for nearly as long as the airplane. It was first established by the Sixty-Second Congress on 2 March 1913 in the Army Appropriation Act for Fiscal Year 1914. (1:704) This Act, which became Public Law 401, provided that:

. . . the pay and allowances that are now or may be hereafter fixed by law for officers of the Regular Army shall be increased thirty-five per centum for such officers as are now or may be hereafter detailed by the Secretary of War on aviation duty. (1:705)

To place proper checks on this additional pay, Congress also provided that it would go only to those officers that "are actual flyers of heavier than air craft, and while so detailed" and "that no more than thirty officers shall be detailed to the aviation service." (1:705) Two days later in the appropriations act for the naval service (Public Law 433) flight pay was similarly established for the Navy and Marine Corps. (1:891-892)

Evolution

It is generally agreed that the original intention of Congress in establishing flight pay was as a recompense for the hazards involved in flying airplanes. Flight pay was "financial encouragement" for risking one's life in the military flying business. (12:4-5) Since

its inception in 1913, flight pay has been subject to numerous changes. The latest change, and perhaps the most significant and controversial one, resulted in the Aviation Career Incentive Act of 1974, which became Public Law 93-294 on 31 May 1974. (5:sec.301a) This law is applicable to "regular and reserve officers who hold, or are in training leading to, an aeronautical rating." (19:200) It applies to Reserve-component and National Guard officers as well, but not to flight surgeons or other medical officers.

The stated purpose of the Aviation Career Incentive Act of 1974 is "to attract and retain volunteers for aviation crewmember duties and for other purposes." (26:1) On the surface then, flight pay has changed from hazardous duty pay to incentive pay. While this may appear to be a subtle and semantical difference, flight pay has evolved from a hazardous duty pay, paid only to those actively engaged in flying, to an incentive pay whose general purpose is to maintain a trained and capable force for a hazardous occupation--some actively flying and some standing in readiness. The difference may not be obvious, but flight pay in 1913 was paid for different reasons than it is today. The failure to understand this difference has produced much debate and misunderstanding and may have produced a system which will not satisfy its objectives.

Purpose

The purpose of this thesis is to determine the short-range results of the Aviation Career Incentive Act of 1974 as it applies to rated officers on active duty in the United States Air Force.

To do this will first require a determination of the exact objectives and goals of the Act as envisioned by its creator--the Congress. In addition to attracting and retaining volunteers, what are the other purposes of this Act? Is the Air Force meeting the objectives of the Act in the first three years after enactment? Will these objectives be met in the future under the current system?

Approach

The history of flight pay has been documented. It is not the purpose of this thesis to re-examine or analyze the past except to provide a foundation for the understanding of later events. Rather, this paper will seek answers to the following questions with regard to the results of the Aviation Career Incentive Act of 1974 in the United States Air Force:

1. Is the Act helping the Air Force attract and retain volunteers for aviation careers?
2. Are pilots and navigators in the Air Force able to "meet their gates"; i.e., fly the number of years required to qualify for continuous flight pay?
3. Is the new Act less costly in terms of expenditures for flight pay for Air Force officers?
4. Did the Aviation Career Incentive Act of 1974 remove inequities imposed by the previous flight pay system?
5. Is the Air Force adequately monitoring the results of the implementation of the Act and identifying any shortcomings or problem areas for future modifications?

In seeking to answer these questions, two assumptions were made. First, the Air Force is concerned with how this Act affects its people because of possible adverse effects on mission accomplishment. Secondly, a review of this new flight pay system will be made by Congress in the near future as suggested by the Senate Committee on Armed Services. (26:11)

Chapter II will summarize the history of flight pay, especially with regard to the motives or purposes for establishing this pay from 1913 to 1972. This background will form the basis and the framework for the understanding of the development of the Aviation Career Incentive Act of 1974. Chapter II will also examine the impetus for change and the underlying purposes which prompted Congress to call for a new flight pay system. It will discuss the development of the Act and summarize its purposes and means. The data necessary to determine if, and how well, the purposes of the Act have been achieved in the short period since enactment will be presented in chapter III. Chapter IV will be an analysis of this data and chapter V will summarize, draw conclusions and suggest recommendations.

CHAPTER II

THE EVOLUTION OF AVIATION CAREER INCENTIVE PAY

The period from 1913 to 1949 saw little change in the basic concept of military flight pay. The only changes were in the rates, the number of flyers authorized to receive it, and the requirements necessary to qualify for the pay. (12:5) Despite these changes, flight pay was still intended as a compensation for the hazards involved in aviation. Despite the glamour of the sky, flying was still a dangerous business during that era, even in the non-war years.

First Major Revision

The Hook Commission

The first major revision in flight pay came as a result of the recommendations of the Advisory Commission on Service Pay in its report to the Secretary of Defense in December 1948. Chaired by Charles R. Hook, the Commission recommended a new, higher pay scale for the military and endorsed the concept of flight pay as an "incentive to engage and remain in a hazardous occupation." (8:24) However, the Commission voiced disagreement with the then current policy of flight pay being a straight 50 percent of base pay for all grades. Countering the justification that this 50 percent increase equalized the 12-year differential in life expectancy between air and ground officers, the Commission considered it an inordinate benefit to those who survive over those who do not. Additionally, the Commission noted that this arrangement "would further encourage men to fly when their flying prime

was past and when, for their own good and for the good of the Service, they should desist." (8:25) Added to this was the Commissions observation that senior officers do not, and are not expected to, fly as much as their younger counterparts; therefore, they should not receive more flight pay for less exposure to risk. Apparently, "senior officer" meant above the rank of colonel, as seen in the Hook Commission's proposed flight pay scale outlined in table 1.

TABLE 1

MONTHLY FLYING PAY PROPOSED BY
HOOK COMMISSION

Major General	\$100.00
Brigadier General	100.00
Colonel	210.00
Lieutenant Colonel	180.00
Major	150.00
Captain	120.00
First Lieutenant	110.00
Second Lieutenant	100.00

SOURCE: Hook Commission Report. (8:23)

While this schedule represented a reduction in flight pay for most grades, especially general officers, the accompanying, recommended increases in basic compensation resulted in all grades receiving more total pay.

Career Compensation Act of 1949

The result of the Hook Commission's report was the Career Compensation Act of 1949. Modified by the Career Incentive Act of 1955, these acts established the basic flight pay system that was to endure until 1974. However, Congress had not followed exactly one of the major recommendations of the Hook Commission. Congress agreed with

the Hook Commission that flight pay should not be 50 percent of base pay, and that it should be less for generals than other officers, but they did not decrease it as much as the Commission had recommended in table 1. Also, and more significant, the Career Incentive Act of 1955 provided for increased flight pay with increased years of service. (22:sec.204) This flight pay schedule based on rank and longevity did not change for 19 years. (20:3194)

Eligibility for flight pay was established by Congress in the Career Compensation Act of 1949 by the requirement for "frequent and regular participation in aerial flight." (22:sec.204) This was more specifically defined in Executive Order 10152 in August 1950, which stated that all aviators must fly at least four hours per month to qualify for flight pay. (12:7) If you did not fly four hours in any month, you did not get flight pay for that month. Although this standard would create problems later, there was no apparent disagreement with it at the time of enactment. This was probably due to the fact that this standard had actually been in effect since 1922 (20:3195), and all services had previously established higher minimum flying hours for their crewmembers. (12:8)

The Mounting Costs of Proficiency Flying

Following the Korean conflict, the Air Force found itself with an abundance of crewmembers and a shortage of flying jobs. This was due not only to the reduction of forces and therefore operational flying billets, but also to the introduction of the intercontinental ballistic missile into the strategic weapon systems inventory. This combination

not only reduced the number of flying jobs but also increased the number of non-flying jobs which had to be filled from a reduced force. The result was that many flyers found themselves in non-flying jobs. (12:8)

Up until this time, all flyers in non-flying billets earned their flight pay and maintained their flying proficiency in anticipation of returning to the cockpit by the program referred to as proficiency flying. By flying as a crewmember once or twice a month, an officer could maintain proficiency while flying his four hours, and therefore qualify for flight pay. However, the advent of higher fuel consumption jet aircraft coupled with this larger number of "proficiency-only" flyers made proficiency flying a more expensive item in the Department of Defense budget.

The Excusal Program

As a partial solution to these rising costs, Congress added a new flight pay provision (section 628 of Public Law 83-179) in the Defense Department Appropriation Act for Fiscal Year 1954. This provision authorized the continued payment of flight pay for officers with over 20 years of service and those in remote duty assignments without requiring them to participate in proficiency flying. (20:3195) This excusal program reduced proficiency flying only slightly due to the following factors:

- The Air Force had very few flying officers with 20 years of flying service.
- The language of section 628 was permissive and it was a tem-

porary rider to the appropriation act.

The Air Force insisted that aviators had to fly to keep up with the advances in their trade. (12:10)

However, the precedent had been set--Congress established that in certain circumstances flight pay would be paid to those who did not fly.

Motivated by the desire to keep proficiency costs down, Congress annually approved this excusal program for these two categories. The rationale was that the savings in operations and maintenance costs were significantly greater than the costs of the flight pay for the excused officers. (20:3195) In the Defense Appropriation Act for Fiscal Year 1962, Congress expanded the excusal category to include officers with 15 or more years of rated service (section 614 of Public Law 87-144) and a similar provision was passed each year through Fiscal Year 1971. (20:3195) Thus, from Fiscal Year 1954 through Fiscal Year 1971, Congress annually authorized flight pay for all excused officers--officers who did not fly.

A Deteriorating Situation

Colonel Dean E. DeTar was the Air Force project officer on the Aviation Career Incentive Act of 1974 from its inception through implementation. In his research report The Aviation Career Incentive Act of 1974, History and Analysis, he stated that Congress annually complained about the costs of proficiency flying and the number of officers involved. Their annual reenactment of the excusal program over Air Force protest through Fiscal Year 1961 was done at least partly as a response to what Congress perceived as service indifference to reducing proficiency flying and the associated costs. The expanded excusal category

for Fiscal Year 1962 was a result of Congress and the Department of Defense being unable to agree on a program to systematically reduce the number of surplus pilots, while still paying them a percentage of their flight pay for the duration of their career. This flight pay program would have been based on the number of years of flying service the officer had served when he was relieved of flying duties. (12:12-14) It was a program similar in concept to what later would become the "gate system" under the Aviation Career Incentive Act of 1974; i.e., continued flight pay based on past service.

Defense Appropriation Act of 1971

In the Defense Appropriation Act for Fiscal Year 1971 Congress again expanded the excusal policy. Section 815 of Public Law 91-668 added yet another excusal category by stating that each service "may provide" for the payment of flight pay without any flight requirements for those "who have been assigned to a course of instruction of 90 days or more." (15:2373)

According to Colonel DeTar, the Air Force complied with student excusal, but the Navy continued to require proficiency flying for those assigned as students to the Naval Postgraduate School. While the wording in the law could not be considered to be iron-clad, the Congress was not happy with the Navy for failing to follow their suggestion. (12:14)

Defense Appropriation Act of 1972

To make sure there was no further misunderstanding about Congressional intentions, the Defense Appropriation Act for Fiscal Year 1972 (Public Law 92-204) stated in section 715 that proficiency flying

"may not be permitted in cases of members who have been assigned to a course of instruction of 90 days or more." (16:822) Section 715 also removed the two excusal categories that applied to those who had held aeronautical ratings for 15 or more years and those on remote assignment where proficiency flying was impractical. Replacing them was a much different restriction on proficiency flying--one that limited it to those "required to maintain proficiency in anticipation of a member's assignment to combat operations." (16:822) With the Viet Nam experience ample proof that senior flyers could be, and would probably need to be, pulled back into the cockpit during war, it appeared that most, if not all, senior flyers qualified for proficiency flying. However, section 715 specifically authorized proficiency flying only as defined in Department of Defense Directive 1340.4. This directive stated, "Only the minimum necessary proficiency flying will be permitted." (10:2)

Colonels and generals grounded from proficiency flying

According to Colonel DeTar, this was the first time the Defense Department "was required to impose severe restrictions on proficiency flying." (12:18) He also stated that the Services promoted the grounding of colonels and generals from proficiency flying as one step toward the overall reduction in this area. By electing to have the Department of Defense prohibit proficiency flying by colonels and generals, the Services avoided the difficult problem of deciding which senior officers had the highest probability of returning to combat operations and therefore should engage in proficiency flying. (12:18) This grounding of colonels and generals from proficiency flying was accomplished by pub-

lishing a new Department of Defense Directive 1340.4 on 17 July 1972 and making it retroactive to 18 December 1971--the day Congress passed the 1972 Defense Appropriation Act. The new directive specifically limited proficiency flying "to those members of an Authorized Rated Inventory who have the highest probability of being reassigned to combat operations requiring flying." (11:3) By the definition given in this same directive, the Authorized Rated Inventory was limited to rated personnel in the grade of lieutenant colonel/commander and below. (11:2) This limitation on who could engage in proficiency flying did not affect flight pay. It was to continue for those colonels, generals and all others otherwise entitled to it except for not being able to perform proficiency flying for four hours a month.

The Department of Defense fully implemented the Fiscal Year 1972 statutory provisions governing proficiency flying. Doing so reduced participation in proficiency flying by 44% in the Defense Department, from 16,000 to about 9,000 flyers. While mildly taking exception to minor, perceived inequities in the law, the Defense Department, as well as the Air Force, had no major disagreements with these new rules. Proficiency flying was reduced but without anyone losing any flight pay. Proficiency flying and flight pay were satisfactorily dealt with and attention was turned to other problems. (12:18-20)

A Radical Change

The Defense Appropriation Act for Fiscal Year 1973 (Public Law 92-570), enacted on 26 October 1972, caused considerable consternation in the Department of Defense--especially to all rated colonels and generals. While continuing all the excusal provisions of the 1972 law,

the 1973 version also prohibited the payment of flight pay to colonels and generals after 31 May 1973 unless they were in operational flying jobs. (20:3195-3196; 17:1391)

This action originated in the House of Representatives Committee on Appropriations in September 1972. In its Report Number 92-1389 accompanying the Department of Defense Appropriation Bill for 1973, the Committee reiterated their concern "with the cost of proficiency flying and other problems associated therewith." (25:80) They claimed that "millions of dollars" had been saved by the limits placed on proficiency flying by the 1972 Appropriations Act; i.e., limiting it to only those "who can reasonably be expected to be reassigned to flying duties." (25:81)

Citing discussions with all the Military Services, the Appropriations Committee gave the following general justifications for flight pay: "(1) to retain younger rated officers; (2) as an inducement to continue with a career in the service; and (3) as a reward for an earlier flying career." (25:81) While the Committee endorsed the first two reasons, it objected to paying "flight pay to senior officers where there is little likelihood of their ever returning" to operational flying jobs. (25:81) The Committee equated flight pay to parachute pay and submarine pay--other types of hazardous duty pay which are stopped when the member no longer is assigned to a position requiring the performance of the hazardous duty. The Committee reasoned that if these members continued their careers without receiving the extra pay, then surely rated colonels and generals should. (25:81) The Committee failed to note that Congress had annually reviewed this pol-

icy and had seen nothing wrong with it in the 19-year period since the 1954 Appropriation Act was passed. It also overlooked the fact that other hazardous duty pay had never been paid on an excused basis as had flight pay. (27:7) The Committee stated, as a further justification for eliminating flight pay for colonels and generals, the contention that a morale problem existed with non-rated personnel who receive less pay for doing the same job as their rated counterparts. It apparently foresaw no morale problem from discontinuing a contract with officers who had pursued a flying career with the understanding that flight pay would be paid them regardless of the job the Air Force needed them in. The Committee also noted that "there are many higher ranking officers making a career of the Military Service who are non-rated and who are not drawing other hazardous duty pay." (25:81)

The Services had estimated that the annual cost of flight pay for non-flying colonels and generals was at least \$13,500,000. The House Appropriations Committee was apparently motivated by the desire to save money by cutting this expenditure from the Defense budget. The Congress gave the Services until 31 May 1973 to phase out this pay for some 300 generals and 3,000 colonels. (12:22) This action would allow a reduction of \$1,467,000 in the Defense appropriation for Fiscal Year 1973 just by eliminating this pay effective 1 June 1973. (25:84)

The Services appealed to the Senate in September 1972, but the result was not what they wanted. Instead of reversing the House action, the Senate Committee on Appropriations requested that the Department of Defense take the following action:

. . . review the entire area of incentive pay, the performance

requirements for receiving such pay, and the inequities resulting under the existing statutory provisions, and early in the next session, submit to the Congress a proposal to correct these inequities. (27:7)

In the next 19 months, the Services would be deeply involved in answering this request, testifying before Congressional committees, and seeking a viable solution to the flight pay problem. The result would become the Aviation Career Incentive Act of 1974.

Joint Services Incentive Pay Study Group

As a consequence of the Congressional request for a Defense Department study of the whole flight pay system, the Joint Services Incentive Pay Study Group was formed at the Pentagon. The Group's task was to develop a legislative proposal for the Department of Defense. The Group convened on 1 November 1972 and submitted its report to the Office of the Secretary of Defense on 9 January 1973. (12:28) According to Colonel DeTar, the Office of the Secretary of Defense was not satisfied with the report. The Secretary's staff revised, expanded, and made changes to the report after discovering that it contained "serious discrepancies and omissions." The revision, coordination, and approval process through the Defense Department and the Office of Manpower and Budget took time, and the legislative proposal was not submitted to Congress until 17 May 1973--just two weeks before non-flying colonels and generals were due to lose their flight pay. (12:28-29) This Defense proposal for revisions in the flight pay laws became H.R. 8593.

From Joint Services Report to H.R. 8593

Despite the alleged dissatisfaction of the Office of the Secretary of Defense with the Study Group's report, a comparison of its recommendations and the Defense proposal shows only one major difference. The Study Group's flight pay schedule, shown in table 2, recommended an increase to the maximum flight pay of \$245 per month at the six-year point, the point where the initial service obligation usually ends. This recommendation was adopted by both the Defense proposal and eventually by Congress. However, the Study Group recommended continuing this maximum pay until the 25-year point at which time all flight pay would cease. The Study Group apparently felt that discontinuing flight pay at this point would be a satisfactory substitute for the Congressional quest to eliminate flight pay for all colonels and generals. They specifically did not recommend a step down pay schedule or an earlier termination because of the impact on retention at the 20-year point. They stated:

If the Services require the retention of an individual for a full career, then it is counterproductive to attempt to improve retention with a pay schedule that reduces income level at the very point in time when the individual must consider the option of early retirement. (14:IX-6-IX-7)

The Defense Department apparently did not agree with this reasoning and recommended a step down beginning at 18 years of officer service, decreasing by \$20 per month every two years until termination at the 25th year of officer service (see table 2). The Defense proposal was adopted unchanged by the Congress as a part of the Aviation Career Incentive Act of 1974. It saves \$4,140 over the Study Group's proposed system for each career rated officer--at least for all those who stay

TABLE 2
COMPARISON OF FLIGHT PAY SYSTEMS
AND PROPOSALS, 1955-PRESENT
(Pay per month)

Years of Service	1955 to 1974 ^a	1971 Quadrennial Review ^b	JSIPSG ^c	H.R. 8593 ^d	ACIA of 1974 ^e
0-1	\$100	\$100	\$100	\$100	\$100
1-2	100	125	125	100	100
2-3	125	125	125	125	125
3-4	150	125	150	150	150
4-6	165	175	165	165	165
6-7	180	250	245	245	245
7-8	180	350			
8-10	185				
10-11	190				
11-12	210				
12-14	215				
14-16	220				
16-17	230				
17-18	230	325			
18-20	245	325/300 ^f		225	225
20-22		300/275		205	205
22-24		275/250		185	185
24-25		250		165	165
25-27		225	-0-	-0-	-0-
27-29		200	-0-	-0-	-0-
29-30		175	-0-	-0-	-0-
Career Flight Pay					
20 years	\$45,060	\$66,300	\$51,120	\$50,340	\$50,340
30 years	74,460 ^a	94,800	65,820	61,680	61,680

^aFlight pay from 1955-1974 was based on rank and years of military service. Since promotion points are variable for each individual these figures are somewhat variable. This schedule is the one used by the Senate Armed Services Committee for comparison and reflects average promotion points for a normal career. (26:6-7) It also assumes 0-6 is the maximum rank obtained. Flight pay decreases upon obtaining flag rank. The Joint Services Incentive Pay Study Group used a 30-year career flight pay figure of \$74,790 for the old system. (14:IX-5) The 1971 Quadrennial Review Committee used \$74,550 for it. (28:I.21)

TABLE 2--Continued

^bThe 1971 Quadrennial Review of Military Compensation recommended this flight pay schedule. (28:VII.7-VII.8)

^cProposed by the Joint Services Incentive Pay Study Group. (14:iii, IX-6)

^dDefense Department's proposed system (24:3), which was adopted by Congress.

^eCurrent flight pay schedule as per the Aviation Career Incentive Act of 1974. (5:sec.301a)

^fThis proposed scale established the step downs at odd years; i.e., 17, 19, 21, etc.

for a 30-year career. For those retiring at 20 years, it only saves \$780 over the Study Group's recommendation (see table 2).

It is interesting to note that the Report of the 1971 Quadrennial Review of Military Compensation recommended a much larger compensation for flight pay--\$20,000 greater over a 30-year career than the old system (table 2). This report also suggested the maximum rate begin at the end of initial obligation, but its recommended maximum rate was \$350 per month. It also suggested a step down rate but recommended it extend to the 30-year point. This review group felt its proposed schedule for flight pay was necessary to improve an identified poor retention rate for aviators in all four services. It concluded these higher rates were cost effective when considering training costs, retention rates and the lower attraction rates anticipated in a zero-draft environment. The Joint Services Incentive Pay Study Group rejected these higher rates and the longer schedule because of Congressional concern with the cost of the flight pay system, the Congressional attitude towards non-flying colonels and generals drawing flight pay,

and the need to improve retention of junior officers. (14:IX-3-IX-4)

Hearings on H.R. 8593

Hearings on H.R. 8593, the Defense Department proposal on changes to the flight pay system, were conducted before Subcommittee number 4 of the Committee on Armed Services of the House of Representatives with Congressman Samuel S. Stratton of New York as chairman. The hearings were conducted on 16 different days between 26 July 1973 and 13 December 1973 and produced 862 pages of testimony. Witnesses included Congressmen, generals, junior and middle-grade officers, and warrant officers. The Committee's observation that "reading the views of these officers will be an enlightening experience for Members of the House" (21:15) should serve as a recommendation to anyone doing future studies on flight pay.

One of the first obstacles the Defense Department had to overcome was the aversion of some members of the House--particularly Representative Otis G. Pike of New York--to the concept of paying "hazardous duty" pay to someone who is not flying and therefore not exposing himself to a hazard. An ally of Representative Pike, Congressman Les Aspin of Wisconsin, echoed and expanded on this point in his testimony when he said:

. . . the mood of Congress is that they want to reduce the defense budget: . . .

That comes out to the same argument that we hear on the floor time and time again: "We want to cut out fat, cut out fat in the defense budget," and no matter how you slice it, no matter how you present it, no matter how you argue it, flight pay for people who do not fly looks like fat. . . .

. . . Congressmen are constantly looking for areas to cut in manpower costs. I think manpower is going to be really tough for the

Pentagon in the years ahead, and again, here we sit with flight pay for people who don't fly. It's just a fat, floating target. (24:141)

A related inequity in Congressional minds was the fact that flight pay was the lowest to the individuals who statistically did the most hazardous flying--the lieutenants and junior captains, and the maximum to the group performing the least hazardous flying--the majors and lieutenant colonels. Even non-flying senior officers got more than the junior officers. (24:9-11) Changing "hazardous duty" pay to "career incentive" pay, and emphasizing that flight pay was for the purpose of attracting and retaining volunteers for a career more hazardous than most in peacetime, was of immediate priority to the Defense Department. They had to sell the career incentive concept to the committee.

The major controversy in H.R. 8593 centered around the requirements necessary to qualify for flight pay. The differences of opinion on requirements between the Armed Services and members of the Committee would create discord and even lead to Congressional allegations of untruthfulness on the part of senior military witnesses. (24:806-808; 21:45) The Defense Department wanted a return to the excusal policy and wanted flight pay to go to all rated officers regardless of time spent in performing flying duties. They did not want to be encumbered with the four-hour-per-month rule. The Committee also recognized the shortcomings of this rule. On the other hand, they did not endorse returning to the excusal plan. Instead they advocated a standard that required a certain percentage of time to be spent in flying jobs in order to qualify for continuous flight pay. The Congressional utilization plan would require individuals to spend two-thirds of their career in operational flying duty. This utilization rate would be checked at

the six, twelve and eighteen-year points. The Services testified that this percentage was too high and was unduly restrictive on proper officer career progression. This led to allegations that prior Service testimony had been less than truthful with regard to time spent by aviators in flying assignments. The Services convinced the Chairman and at least a majority of the committee that this resulted from an honest misunderstanding of terms used. The Services then suggested to the Committee that the utilization requirement for continuous flight pay should be only 50%; i.e., one year out of every two. Additionally, due to Service regulations covering initial duty assignments after flight training, the Services pointed out that it should not be necessary to check at the six-year point. The result was a compromise requirement calling for six years of aviation service at the 12-year point (commonly called the first "gate") and 11 years service at the 18-year "gate," with the provision that 9 years of aviation service at the 18-year point would be sufficient to earn flight pay through the 22nd year of officer service. Representatives Pike, Dellums, and Schroeder were not to be appeased however. In a minority view attached to the final bill, they opposed the total concept of the flight pay bill and even accused the military of misleading Congress on the subject. (21:45-46)

H.R. 12670

The new flight pay schedule and the concept of "gates" were the major provisions of H.R. 12670--the House modified version of H.R. 8593 which would become the Aviation Career Incentive Act of 1974. The stated purpose of this bill, submitted by the Committee on Armed Services

in House of Representatives Report Number 93-799 dated 13 February 1974, was "to restructure the flight pay system of the Armed Forces so as to achieve a more equitable distribution of flight pay and increase the ability of the Armed Forces to attract and retain officer aviator crewmembers." (21:1) Another purpose of this bill was to "cut out some of the fat"; i.e., decrease the cost of flight pay. While the initial cost of H.R. 12670 was greater than the old system due to a 36-month saved-pay provision, the bill would cost less as soon as this provision expired in Fiscal Year 1978. The House bill pointed out that annual savings after 1978 were estimated at \$16 million over the system in effect prior to enactment of section 715 of Public Laws 92-570 and 93-238 (which cut off flight pay for non-flying colonels and generals) and \$3.5 million over the section 715 system. (21:24-25, 57)

One last feature of the bill merits attention. The bill as passed by the House on 21 February 1974 requires:

. . . an annual report from the Secretary of Defense on the number of officers who have 12 and 18 years of aviation service and of those, the number who are entitled to continuous flight pay and the number who are engaged in operational or proficiency flying. (21:9)

(The Senate added a requirement to report various statistics on the number of officers who failed to qualify for continuous flight pay at each of the gates each year.) (26:11)

A summary of the general purposes of H.R. 12670 and the major means by which the House of Representatives sought to achieve them is presented in table 3. This bill--with minor amendments of a technical nature--was considered and passed by the Senate on 21 May 1974. On 31 May 1974 it became Public Law 93-294, The Aviation Career Incentive

TABLE 3

SUMMARY OF H.R. 12670

Purpose	Means
Achieve a more equitable distribution of flight pay.	<ul style="list-style-type: none"> --Maximum flight pay (\$245 per month) was moved up to years 6 through 18 vice years 18 through 30 under old system. This concentrates the pay in the years when the most flying is done. --No flight pay after 25 years of officer service. This eliminates flight pay for many senior colonels and generals (over 80 percent of all rated generals)--officers who normally don't fly. --Flight pay is based on years of aviation service, a more equitable system than the grade and longevity basis of the old system.
Increase attractiveness of aviation career.	<ul style="list-style-type: none"> --This was not considered a problem under the old system. However, it was believed the new "front-end-loaded" pay schedule might also help the Services' ability to attract.
Increase retention rates.	<ul style="list-style-type: none"> --The Committee, and the Defense Department, believed that moving the maximum flight pay rate to the 6-year point would increase the retention rate at the end of initial obligation. Neither apparently believed that reducing it just prior to the first retirement opportunity would create any problems.
Cut costs.	<ul style="list-style-type: none"> --Budget outlay for flight pay would eventually decrease. --Hopefully a higher retention of junior officers would also lower replacement training costs.
Monitor workability of system.	<ul style="list-style-type: none"> --Annual report.

Act of 1974. (2:874)

Reactions and Related Literature

There was very little, if any, written reaction outside the Defense community to the Aviation Career Incentive Act of 1974. Even the most vocal critics of the Defense budget could not get very excited over such a small victory--a forecast \$16 million a year reduction represented only .01 percent of the projected 1979 Defense budget. (33:7) Neither the New York Times nor the Washington Post even carried a news story on passage of the Act, much less any editorial pat-on-the-back for saving money or developing a better system.

Martin Binkin, a senior fellow in the Brookings Institution Foreign Policy Studies program performed a study of the military compensation system. Published in 1975 under the title The Military Pay Muddle, it did not address the Aviation Career Incentive Act per se. In his background on the current military compensation system, Binkin did recognize the need for special pays--which included flight pay--"in order to keep certain jobs filled." (7:7) He apparently endorsed the concept of these pays when he stated, "these special payments are used to attract personnel having particular expertise, to encourage the retention of personnel with special skills, or to compensate for unusual risk or objectionable tasks." (7:7) However, his study did not delve into the significance or effectiveness of an aviation career incentive pay system. His conclusions only made cursory reference to special pays when he stated that his proposed military salary system would "help military personnel and potential recruits to perceive the value of

military pay more realistically" and that, in turn, "could be expected to reduce the need for the number and amount of differential payments . . . now used to attract and retain volunteers." (7:60) Despite the significant and far-reaching changes made by the Congress in the recently enacted Aviation Career Incentive Act, it is interesting that Mr. Binkin did not address the Act or the flight pay problem. If Mr. Binkin had any knowledge of the Aviation Career Incentive Act of 1974 and the history of its development it was not evident from his study.

The Defense Manpower Commission, in its report to the President and the Congress in April 1976, only briefly and generally touched on special pays. It recognized that special pays have "long been a part of the military compensation system" for a variety of reasons to include "inducing persons with critical skills to stay in the military." (9:325-326) While the Commission also did not address flight pay specifically, it did reach two conclusions regarding special pays in general which would be applicable to flight pay. One was that it should not be necessary to establish and grant special pays to all Services alike. "The uniqueness of the Services implies the uniqueness of the differential compensation items required to support each Service's needs." (9:326) Adoption of this philosophy would eliminate the problems associated with designing a flight pay system to fit the needs of all Services but satisfy none. The second general conclusion of the Commission was that "general guidelines [of application and implementation] are often ambiguous and therefore subject to misuse." (9:326) The Commission further stated, "Implementation may be heavily influenced by parties having strong vested interests in results which are inconsistent

with the unbiased application of those [general] principles." (9:326)

To avoid or lessen this possibility it recommended that a proposed Federal Compensation Board should, among other things, ensure that special pays are used efficiently. Specifically, the Board would be responsible for:

Developing well-defined, objective criteria for authorization and termination, implementation, management, and evaluation of bonuses and special pays; and

Periodically reviewing bonuses and special pays to determine whether these measures continue to be justified. (9:327)

Whether the Commission had the Aviation Career Incentive Act of 1974 in mind when it made this recommendation is not known, but flight pay was not listed as an exception to the recommendation. Neither was it mentioned as an example of how special pays should be handled.

Judging from the lack of reaction outside the military flying community, the Aviation Career Incentive Act of 1974 was not a major piece of legislation despite its lengthy development. It did, however, represent a significant change in the military flight pay system--one which would effect every rated officer in the U.S. Armed Services. The exact effect--positive or negative--and its magnitude should be measurable. These results could necessitate changes in the Services' personnel management systems as well as impact on the Defense budget. The following chapters will analyze the short-range results of the Aviation Career Incentive Act in the U.S. Air Force.

CHAPTER III

AIR FORCE DATA

Number Qualifying for Continuous Flight Pay

A review of the Air Force data collected for the annual reports to Congress on the number of flyers meeting and not meeting the gates shows that very few officers are not qualifying for continuous flight pay in the first three years after implementation of the Aviation Career Incentive Act of 1974 (see table 4). The statistics reported at the end of Fiscal Year 1977 show that of the total of 42,153 officers qualified for aviation service, only 151, or 0.36 percent, were not qualified for continuous aviation career incentive pay. (4:1) (See appendix A for additional statistics.)

From another perspective, very few officers passing through the gates each year are failing to qualify for continuous flight pay. As can be seen from table 5, less than 0.1 percent of the rated officers in the Air Force who passed through their 12-year gate during Fiscal Year 1977-77 did not have at least six years of operational flying credit. The other 99.9+ percent qualified for continuous flight pay until at least their 18-year gate. Only 1.5 percent of those passing their 18-year gate during Fiscal Years 1977 and 1977 did not qualify for continuous pay to at least 22 years of officer service. However, qualifying for continuous flight pay until 25 years of officer service is another matter. Less than 9 out of 10 officers passing through the 18-year gate during Fiscal Years 1977-77 qualified for flight pay

TABLE 4

QUALIFIED FOR CONTINUOUS AVIATION CAREER INCENTIVE
PAY, AS OF END OF FISCAL YEAR 1977

	Pilots	Navigators	Total
Qualified			
Operational flying	19,574	8,000	27,574
Proficiency flying ^a	529	14	543
Not flying	9,082	4,803	13,885
Total	29,185	12,817	42,002
Not Qualified			
Operational flying	10	6	16
Proficiency flying	0	0	0
Not flying	61	74	135
Total	71	80	151

SOURCE: U.S. Air Force Interim Report to Congress for
Fiscal Years 1977-77. (32:unk)

^aThese figures all dropped to zero on 1 October 1977 with
the end of proficiency flying. (4:1)

TABLE 5

FAILURE RATE OF AIR FORCE OFFICERS TO QUALIFY FOR
CONTINUOUS AVIATION CAREER INCENTIVE PAY
(Percentage not making gates)

	FY75	FY76	FY77-77
Less than six years of operational flying at 12-year gate	0.5%	0.3%	less than 0.1% ^a
Less than nine years of operational flying at 18-year gate	7.5%	3.9%	1.5%
More than nine but less than 11 years of operational flying at 18-year gate	10.1%	6.8%	10.8%

SOURCE: The first two lines of figures were taken from an Air Force Military Personnel Center talking paper prepared by the Force Analysis and Control Section, Force Utilization Branch, Utilization Policy and Control Division, Directorate of Personnel Resources and Distribution. (4:1-2) The last line of figures, which were not included in the talking paper, were calculated from the annual reports to Congress.

^aThis figure in the Air Force Military Personnel Center talking paper was listed as 0.01 percent. However, the supporting figures indicate this figure should be 0.06 percent. In either case it is less than 0.1 percent (and almost insignificant). (See appendix B for supporting figures.)

through the 25-year point. This failure rate is also the only one that has not declined each year.

The statistics reported to Congress show that few Air Force flyers are not meeting their gates and qualifying for continuous flight pay. However, the Air Force has not gathered any data, conducted any studies or done any analyses on the effects of the Aviation Career Incentive Act of 1974 on the attraction, retention, or costs of maintaining a ready and able flying force. According to personnel in the office of the Deputy Director of Plans and Policy, Director of Personnel Plans, Headquarters United States Air Force, a proposal to do a study on rated officer retention was suggested in 1977, but no action had been taken on it as of February 1978. A telephone conversation with a civilian official in the Office of the Secretary of Defense, Manpower and Reserve Affairs, who worked on the development of the Aviation Career Incentive Act of 1974, revealed that no effort had been made within that office either to monitor the Act or to analyze its effectiveness.

The data presented hereafter was gathered in an attempt to accomplish a short-term analysis of the effect the Aviation Career Incentive Act has had in the Air Force with regard to meeting the stated objectives of the Act. The data is presented as nearly as possible in the format used by Congress as a basis for formulating the current flight pay system.

Attraction

Attracting qualified volunteers to undergraduate pilot and nav-

igator training has not been a problem for the Air Force--at least not in the recent past. The Report of the 1971 Quadrennial Review of Military Compensation presented Air Force-provided data which illustrated this fact. The aggregate data for Fiscal Year 1964 through Fiscal Year 1970 showed that the Air Force had volunteers amounting to 225.9 percent of the undergraduate flying training spaces authorized by Congress. (28:III.22) Figures for Fiscal Year 1971, during the height of the Viet Nam conflict, were even more spectacular--volunteers for Air Force flight duty amounted to 287.0 percent of the spaces authorized. (28:III.24-25) The Report further concluded that "it is very likely that the Air Force will not experience any pilot or navigator [attraction] problems in a zero-draft environment." (28:III.26) The Report of the Joint Services Incentive Pay Study Group also indicated a very favorable attraction picture. While its figure for Fiscal Year 1971 was slightly lower than the 1971 Quadrennial Review figure, it was nevertheless more than adequate. It indicated that the Air Force attracted approximately 240 percent of the volunteers needed for flying training. Fiscal Year 1972 showed only a slight drop to approximately 235 percent. (14:IV-2) Air Force testimony before both Houses of Congress also indicated that attraction of volunteers for flight duty has never been a problem and should not be a problem in the future.

Discussion with personnel in the Officer Procurement Division, Directorate of Personnel Procurement at the Air Force Military Personnel Center revealed that obtaining qualified volunteers for flying duty was still no problem. They stated that figures were not currently kept

by the Air Force on the total number of volunteers for flying training. In fact, they doubted that accurate figures in this area have ever been kept. They stated that it was impossible to know how many volunteers for flying training have been turned away by recruiters because no flight training authorizations were available. Additionally, they pointed out that with the reduction in Air Force manpower, and the resulting reduction in undergraduate flying training production (see table 6), it would take a considerable surge to be able again to accept flight training volunteers from Officer Training School. Currently the Air Force Academy and the Reserve Officer Training Corps program produce more than enough qualified flying training volunteers. In fact, as recently as 1975, there was an 1100-man backlog of ROTC graduates who were qualified, ready, and waiting for flight training openings. No statistics are available to show the number of young men who would apply for Officer Training School or even the Reserve Officer Training Corps if the recruiters could paint a brighter picture of their prospects to enter flying training.

Another indication of the overabundance of volunteers for flight training in the Air Force is the number of non-rated junior officers who apply for training, are fully qualified, but are not accepted due to lack of sufficient openings in the flight training programs. A recent summary of these figures appears in table 7.

Retention

Retention is a more complex problem, not only in terms of meeting goals, but also in defining what these goals should be and deter-

TABLE 6

ACTUAL UNDERGRADUATE FLYING TRAINING PRODUCTION

FY	Pilots	Navigators
65	1992	1009
66	1969	838
67	2768	782
68	3092	805
69	3216	827
70	3521	956
71	3895	1037
72	4032	1324
73	3033	1351
74	2167	1356
75	2003	1231
76	1659	810
77	388	201
77	1316	653
78 (projected)	1050	500
79 (projected)	1050	550

SOURCE: Officer Programs Branch, Director of Personnel Programs, Headquarters United States Air Force.

TABLE 7

**NON-RATED JUNIOR OFFICER VOLUNTEERS
FOR FLYING TRAINING**

	Volunteers			Selected		
	Pilots	Navigators	Total	Pilots	Navigators	Total
Jan 76	50	27	77	12	9	21
Apr 76	114	26	140	5	10	15
Jul 76	46	20	66	5	3	8
Oct 76	63	26	89	4	3	7
Jan 77	88	26	114	5	6	11
Apr 77	131	29	160	5	9	14
Jul 77	212	25	237	10	3	13
Oct 77	262	93	355	10	20	30

SOURCE: Force Utilization Branch, Utilization Policy and Control Division, Directorate of Personnel Resources and Distribution, Headquarters Air Force Military Personnel Center.

mining if they have been met. Obviously it is not possible, nor is it desirable for proper rated force balance, to retain all flying personnel for a full career. Determining what percentage should be retained in a constantly changing force is difficult but necessary in order to keep the proper balance. As a guide or model against which retention can be measured, the Air Force has established desired (sometimes called required) retention rates. These rates, if met consistently, would help mold the ideal force combination and are part of the TOPLINE objective force structure. These desired/required retention rates are intended as a guide or template on which to base personnel management decisions. Unfortunately, often in the past and especially in the recent past, the Air Force has not been faced with the more desirable problem of which rated officers to separate involuntarily in order to reduce the force to the desired goal. It has been rather a problem of how to encourage rated officers to remain in the Air Force so that the desired goal could be achieved.

Historically, the largest number of rated officers have been lost at the end of the initial obligation period. Prior to 1 January 1970, minimum obligated service or service commitment was four years after the pilot or navigator rating was awarded at the end of undergraduate training. Since 1 January 1970, the service commitment has been five years after award of rating. This is about the same as six years of aviation service since undergraduate training time counts as aviation service. Undergraduate pilot training lasts approximately 49 weeks and undergraduate navigator training lasts about 33 weeks. The end of initial obligation and the years immediately following it have

therefore been the most critical in terms of retention. For as the 1971 Quadrennial Review pointed out, "Once an individual has decided to extend beyond his first obligated tour, the probabilities are very high that he will continue for a full career...." (28:IV.1-2)

1971 Quadrennial Review retention statistics

The Report of the 1971 Quadrennial Review of Military Compensation listed retention statistics for Air Force pilots and navigators in the 1962 year group through the 1965 year group. In 1971 the officers in these year groups were approximately 8, 7, 6, and 5 years past their initial rating date; i.e., they had 5-8 years of rated service. They were therefore past their initial obligations and in the critical zone for retention. Their retention rate was not as high as desired. The aggregate retention figure for these year groups for pilots was 46.6 percent, as opposed to a desired retention percentage of 59.4. The aggregate retention figure for navigators in these groups was 52.7 percent against a 63.6 percent desired retention. The combined figure was 49.0 percent versus a desired retention of 61.1 percent (see table 8).

U.S. Senate Report No. 93-841

In the Senate Report on the Aviation Career Incentive Act of 1974, retention statistics were given for pilots for Fiscal Years 1969 through 1973. These figures reflected the retention of pilots past eight years of aviation service. This retention point is approximately seven years after rating was awarded--two years past the initial obligation point. This retention rate was compared to a "required retention"

TABLE 8

AGGREGATE RETENTION OF AIR FORCE RATED OFFICERS,
YEAR GROUPS 1962 THROUGH 1965

	Pilots	Navigators	Total
Eligible	5,925	3,845	9,770
Extended	2,760 ^a	2,026 ^b	4,786
Percentage	46.6%	52.7%	49.0%
Desired Extensions	*3,519	2,447	5,966
Desired Percentage	59.4%	63.6%	61.1%

SOURCE: Report of the 1971 Quadrennial Review of
Military Compensation. (28:IV.13, IV.15)

^aExcludes 438 regular officers who were involun-
tarily retained.

^bExcludes 157 regular navigators who were invol-
untarily retained.

rate at this point of 52.3 percent. In all five years the Air Force failed to achieve the retention goal (see table 9).

Current data

As discussed earlier, retention statistics as such apparently are not being compiled by the Air Force. However, discussion with personnel in the Force Structure Plans Branch of the Plans Division, Deputy Director Plans and Policy, Director of Personnel Plans, Headquarters United States Air Force revealed that required retention rates at eight years of aviation service are a part of the force structure model for both pilots and navigators. These rates are depicted in table 10.

In order to determine actual retention rates, normalized loss rate statistics for selected year groups were requested from the Modeling Branch, Systems Development and Support Division, Directorate of Personnel Data Systems, Headquarters Air Force Military Personnel Center. These statistics are contained in appendix C.* They show the number of "normal" pilot and navigator losses in the 5th, 6th, 7th, 8th, 9th, 10th, 11th, and 12th years after rating was awarded for Fiscal Years 1973, 1974, 1975, 1976 and for the period 1 July 1976 to 30 June 1977. No figures are available prior to Fiscal Year 1973. These loss figures are "normalized"; i.e., they do not contain abnormal losses from RIFs (reductions in force) and other involuntary separation actions. They are "the same type of rates which are used in all current model loss rate predictions." (13:1)

*Any use of these statistics must be coordinated with the Modeling Branch--AFMPC/DFMDDA, Randolph AFB, Texas 78148.

TABLE 9
PILOT RETENTION DATA, FISCAL
YEARS 1969-73
(Percentages)

	FY69	FY70	FY71	FY72	FY73
Air Force Pilot Retention ^a	45.7	42.4	44.5	44.5	47.3
Required Retention ^b	52.3	52.3	52.3	52.3	52.3

SOURCE: U.S. Senate Report Number 93-841. (26:15)

^aDepicts the percentage of pilots graduating from pilot training and who have completed eight years of aviation service. [This corresponds to about seven years of rated service.]

^bReflects minimum retention requirement at eight year point to provide adequate numbers of experienced pilots to carry out Air Force mission.

TABLE 10

REQUIRED RETENTION AFTER EIGHT YEARS OF AVIATION
SERVICE, FISCAL YEARS 1974-85

Fiscal Year	Required Retention Percentage	
	Pilots	Navigators
1974	53.4	53.3
1975	53.4	53.3
1976	54.5	53.3
1977	54.5	53.3
1978	54.5	53.3
1979	54.5	53.3
1980	54.5	53.3
1981	54.5	53.3
1982	54.5	53.3
1983	54.5	53.3
1984	54.5	53.3
1985	64.9	53.3

SOURCE: Force Structure Plans Branch, Plans Division,
Deputy Director Plans and Policy, Director of Personnel
Plans, Headquarters United States Air Force.

Costs

Air Force costs for flight pay and the number of man-years supported each year were obtained from the Budget Branch, Force Program Division, Director of Personnel Programs, Headquarters United States Air Force and are shown in table 11. The average cost per rated officer drawing flight pay for the whole year was obtained by dividing the cost by the man-years. While cost savings from the elimination of proficiency flying are significant, they are separate from flight pay costs and are not addressed in this study.

TABLE 11
COST OF FLIGHT PAY FOR AIR FORCE
RATED OFFICER PERSONNEL

FY	Man-years	Cost (in thousands)	Average cost per man per year
70	63,150	\$149,244	\$2363
71	61,090	142,289	2329
72	61,349	142,036	2315
73	57,777	133,167	2305
74	52,138	117,398	2252
75	51,239	117,978	2303
76	48,592	112,304	2311
7T	46,542	27,362	2352 ^a
77	44,865	106,967	2384
78 ^b	41,869	101,500	2424

SOURCE: Budget Branch, Force Program Division,
Director of Personnel Programs, Headquarters U.S.
Air Force.

^aObtained by multiplying the average cost per man
for Fiscal Year 197T (a three-month period) by four
for comparison purposes.

^bEstimated figures.

CHAPTER IV

ANALYSIS

Number Qualifying for Continuous Flight Pay

As was pointed out in chapter III (see table 4), only 0.36 percent of the rated Air Force officers who were qualified for aviation service at the end of Fiscal Year 1977 were not qualified for continuous flight pay. To the casual observer it might appear that the implementation of the Aviation Career Incentive Act of 1974 is an unqualified success since few rated officers are not fitting into the new system. However, despite the fact that this was the only area for which Congress requested annual figures, ensuring the qualification of a certain percentage of officers for continuous flight pay was not an objective of the Act. Presumably Congress wanted these statistics to indicate whether the new system's requirements were too difficult for most rated officers to obtain. However, caution should be exercised in drawing conclusions from these figures. They may not be indicative of even the limited success associated with proving that the system gates are workable.

In implementing the new flight pay system the Air Force found that data was not always readily available, or even available at all, to determine accurate aviation service dates and past operational flying credit for each officer. In order to be as equitable as possible, implement the system quickly, and win maximum acceptance by the flyers concerned, the Air Force utilized very liberal policies in determining each rated officer's aviation history and status as of 1 June 1974.

Among these implementation policies were the following:

1. All officers with more than 18 years of aviation service as of 1 June 1974 were assumed to have served at least 11 years in operation flying jobs. They were therefore automatically entitled to flight pay until 25 years of officer service or 31 May 1977 (due to the saved-pay provision), whichever occurred later. (6:1)

2. Operational flying credit was awarded for each month during which a rated Duty Air Force Specialty Code was held for at least one day of the month. (6:atch.2) Current rules require a rated officer to be assigned to operational flying duties for a minimum of 15 days in a month in order to receive credit. (3:2-2)

3. All time spent in rated Duty Air Force Specialty Codes prior to 1 June 1974 was assumed to have included operational flying unless periods of non-operational duty were identified. (6:atch.2)

4. Credit was given for all time spent in staff positions which were assigned a rated Duty Air Force Specialty Code even though some of them did not require flying or, in some cases, even a rated officer to fill them. This was done because "it was virtually impossible to decide, after the fact, which staff positions had flying as an assigned duty." (12:59)

These very liberal policies for crediting operational flying prior to implementation of the Aviation Career Incentive Act obviously helped produce the favorable statistics reported to Congress in the first three years (see table 5). The Viet Nam conflict also helped officers build credit. Many flyers completed two or more tours in Southeast Asia. However, a peacetime Air Force which stresses advanced

degrees, professional military education and higher headquarters staff assignments (many of which cannot require flying as part of the job), can expect a larger percentage of officers to not make their gates in the years ahead. A harbinger of this may be the increased percentage of personnel who did not qualify for continuous flight pay past 22 years of officer service in Fiscal Years 1977-77, as opposed to Fiscal Year 1976 (see table 5).

Attraction

Although complete statistics on attraction were not found, those that were available, plus discussions with officer procurement personnel, lent proof to the position that attraction is still no problem. Nothing revealed in this study indicated otherwise. However, it must be remembered that attraction and retention are somewhat related. Anything that greatly effects retention will also effect attraction, and vice versa. Examples are major changes in the economy, increased hiring by commercial air carriers, acceptance of the military and its future roles, etc. Therefore, attraction of highly qualified individuals cannot be taken for granted. Failure to look ahead or ignoring any trends in this important area could compound problems in the future. For without sufficient attraction, retention becomes an even bigger problem.

Retention

An analysis of retention of rated officers in the Air Force centers around the normal loss rates found in appendix C. Since statistics are only available from 1 July 1972, only two years of pre-Aviation Career Incentive Act data can be compared with the three years

since.

Retention at end of initial obligation

One of the first things noticed when examining these loss rate statistics is the large increase in separation of pilots at the end of their initial obligation during Fiscal Year 1974 as opposed to Fiscal Year 1973. In Fiscal Year 1973 the loss rate after five years of rated service was just 11.9 percent. In Fiscal Year 1974 it jumped over 325 percent to 39.0 percent. This large increase in normal losses was almost matched by navigator losses over the same span. They jumped over 315 percent--from 11.2 percent in Fiscal Year 1973 to 35.6 percent in Fiscal Year 1974--for those reaching the termination of their initial obligation.

Fiscal Year 1974 ended one month after the Aviation Career Incentive Act took effect. It might be argued that even with advance knowledge of its coming impact, this was too short a time to be a major cause of the huge increase in loss rates. However, it was in Fiscal Year 1973 that Congress prohibited the payment of flight pay after 31 May 1973 to colonels and generals who did not fly. This action, the resulting disgruntlement of senior officers, and the ensuing Aviation Career Incentive Act which reduced flight pay in a 30-year career by over \$12,000 could well have contributed to this large increase in loss rates in Fiscal Year 1974. In Fiscal Year 1975 it went up again, by another 4.7 percent for pilots and 4.0 percent for navigators, to 43.7 percent and 39.6 percent respectively.

Retention after eight years of aviation service

In order to compare retention since the Act with those retention figures quoted in Senate Report Number 93-841, it was necessary to determine retention after eight years of aviation service. Since figures apparently do not exist which are based on aviation service year groups, the data in appendix C was used as a close approximation. The figures for seven years of rated service are roughly equivalent to eight years of aviation service as discussed in chapter III. By dividing these figures by the numbers graduated from undergraduate pilot and navigator training seven years previously, a retention rate could be obtained and compared with the required retention rate. Table 12 is a summary of this data.

Pilots

A comparison of pilot retention after eight years of aviation service for the periods prior to and after enactment of the Aviation Career Incentive Act is found in table 13. According to these figures, pilot retention has generally improved a little since Fiscal Year 1973, ranging from a high of 53.7 percent to a low of 47.9 percent. The high of 53.7 percent was achieved in Fiscal Year 1975 and is the only year the Air Force met its required retention goal for pilots. Interestingly, the group on which these figures are based is the same group, discussed earlier, that had the low loss rate at the end of initial obligation in Fiscal Year 1973 (see appendix C). All of these pilots had made their decision to stay past their initial commitment prior to the Act becoming a reality. It is also significant that both years

TABLE 12

RETENTION AFTER EIGHT YEARS OF AVIATION SERVICE,
 BASED ON FIGURES AT SEVEN YEARS
 OF RATED SERVICE

FY	7 Yrs. Rated Service	No. Originally Rated	Percent Retained	Required Retention	Difference
Pilots					
73	952	1969	48.3	52.3	-4.0
74	1403	2768	50.7	53.4	-2.7
75	1661	3092	53.7	53.4	0.3
76	1627	3216	50.6	54.5	-3.9
1 Jul 76- 30 Jun 77	1688	3521	47.9	54.5	-6.6
Navigators					
73	403	838	48.1	53.3	-5.2
74	441	782	56.4	53.3	3.1
75	360	805	44.7	53.3	-8.6
76	369	827	44.6	53.3	-8.7
1 Jul 76- 30 Jun 77	421	956	44.0	53.3	-9.3

SOURCES: Appendix C, table 6, and table 10.

TABLE 13

PILOT RETENTION RATE AT EIGHT YEARS OF AVIATION SERVICE, FISCAL
YEARS 1969-76 AND PERIOD 1 JULY 1976 TO 30 JUNE 1977
(Percentages)

FY	Required Retention	Percent Retained--		Difference
		Senate Report	Table 12	
69	52.3	45.7		-6.6
70	52.3	42.4		-9.9
71	52.3	44.5		-7.8
72	52.3	44.5		-7.8
73	52.3	47.3	48.3	-5.0/-4.0
74	53.4		50.7	-2.7
75	53.4		53.7	0.3
76	54.5		50.6	-3.9
77	54.5		47.9 ^a	-6.6

SOURCE: Tables 9, 10, and 12.

^aThis figure is for period 1 July 1976 to 30 June 1977.

since that high point in Fiscal Year 1975 have seen retention steadily decline. Last year retention was again 6.6 percent below the required level for pilots.

Two things must be noted with regard to this analysis of pilot retention. One is that while the retention percentage has been higher the last four years, the required retention rate has gone up also in an effort to keep the proper balance in the force. An analysis of retention must therefore examine the difference between the actual retention and the required retention as the key figure. This difference has slowly grown back to near pre-Act levels after initially dropping towards zero (see table 13). Secondly, there was a one-year overlap in the figures produced by this analysis and the figures reported to the Senate--Fiscal Year 1973. This analysis produced a figure of 48.3 percent for that year versus the Senate Report's 47.3 percent. While this is close enough to support the validity of this analysis, it might also indicate that this method of arriving at the eight-year aviation service retention rate is a little liberal; i.e., retention figures after seven years of rated service may be a little better than those after eight years of aviation service. If so, the Air Force is even further away from the retention rate that is required to maintain a properly balanced pilot force.

Navigators

No navigator retention statistics were listed in Senate Report Number 93-841. However, navigator retention since Fiscal Year 1973 has been significantly less than required. While navigator retention exceeded the required 53.3 percent in Fiscal Year 1974 by 3.1 percent,

it has ranged from 5.2 to 9.3 percent below the required rate in the other four years, dropping to its low point in 1977 (see table 12). Due partly to this low retention, the size of navigator training classes are being increased starting in Fiscal Year 1979.

Other factors influencing retention

No one familiar with the Air Force would suggest that the Aviation Career Incentive Act is the only thing adversely influencing retention. Certainly the Air Force's new and controversial Officer Effectiveness Report system, adverse speculation about the outcome of the President's Blue Ribbon Commission on Military Compensation, and other factors have contributed to rated officer loss. In fact, the Air Force has a program currently in effect which might even encourage a higher loss rate--the program known as Palace Chase. This program was begun in late Fiscal Year 1972 in an effort to strengthen the Air Force Reserve force. It allows rated officers to leave active duty prior to the end of their obligations in exchange for a certain period of time spent in the Reserves. From late in Fiscal Year 1972 through Fiscal Year 1977, 952 pilots and navigators left active duty through this program, according to personnel in the Personnel Procurement Directorate at the Air Force Military Personnel Center. These losses are included in the figures in appendix C and the previous analysis. An accurate analysis of the impact of Palace Chase on retention cannot be made based on available data for two reasons. First, the data in appendix C carries these early losses along as still being on active duty until the Fiscal Year in which their obligation would end. Secondly, even if

Palace Chase losses were identified in these loss rates, there is no way of knowing how many of these individuals, if any, would have stayed on past their initial obligation if not given a chance for an early release from active duty. However, it is reasonable to assume that a rated officer who elects to get out after four years of rated service would probably have separated after five years. Based on this assumption, the Palace Chase program effects retention at the eight year point very little, if at all.

Costs

One of the purposes of the Aviation Career Incentive Act was to lower the cost of flight pay in the Armed Services. As reported in chapter II, the House of Representatives pointed out that this new system would lower the flight pay portion of the Defense budget by \$16 million annually after Fiscal Year 1978. While this thesis examines only Air Force figures, a look at table 11 shows that in the Air Force alone this goal has been greatly exceeded. The portion of the Air Force budget for flight pay in Fiscal Year 1978 is estimated to be only \$101.5 million--over \$40.5 million less than actual costs for flight pay for Air Force officers in Fiscal Year 1972. Part of this reduced cost is due obviously to a smaller rated force, but part of it is attributable to the new scale that eliminates flight pay for anyone over 25 years of officer service.

Despite this reduced expenditure, the average cost of flight pay per man has risen each year since the Act was passed (see table 11). For despite the step down beginning at the 18-year point and the termination of flight pay at 25 years of officer service, flight pay is now

greater for the largest group receiving it--officers with under 18 years of aviation service. It should be noted that career flight pay is over \$5,000 more now than under the old system, based on a 20-year career, and over \$12,000 less for a 30-year career (see table 2). Therefore, another contributing factor to the increase in the average cost of flight pay per rated officer might be an increase in the ratio of flyers under 20 years of aviation service to those over 20 years; i.e., more officers may be retiring now at the 20-year point than were before the Act. This would mean that a larger percentage of officers were gaining the benefits of the increased flight pay of a 20-year career than were being effected by the reduced flight pay of a 30-year career. Data could not be found that would allow a comparison of the percentage of rated officers electing to retire at the first opportunity (20 years) for the periods before and after the enactment of the Aviation Career Incentive Act. However, if data could be found in this area, examination and analysis of it might prove interesting.

CHAPTER V

SUMMARY

Conclusions

The purpose of this thesis was to examine the short-term success of the Aviation Career Incentive Act of 1974 in the United States Air Force; i.e., had the Act either achieved its stated and implied purposes or did it appear it was going to achieve them if given time. In an effort to do this, only concrete data was sought and analyzed. This paper did not address the equally important but less tangible areas of attitudes toward and acceptance of the new flight pay system--areas that very well may have greatly influenced the data presented in this study as well as future data on retention. Limiting this analysis to hard data was not done in an attempt to overly simplify the complex flight pay problem or the solution to it. It is hoped that what has been presented in this thesis identifies possible shortcomings and indicates possible trends that can be further investigated and corrected where necessary. The following paragraphs offer a summary of the conclusions drawn from this study.

Inequities

One of the purposes of the Aviation Career Incentive Act was to achieve a more equitable distribution of flight pay. Congress felt the old system was inequitable and unsound from a retention standpoint because flight pay was paid on the basis of rank and years of service. They felt this rewarded the survivors for duties performed early in

their military careers while shortchanging members who had performed substantially the same duty but had dropped out of the aviation force along the way. While Congress felt the new system of pay based on years of aviation service removed this inequity, it created two other shortcomings which may have more adverse effects than the one corrected. First, despite a three-year saved-pay provision, Congress shortchanged those who had already served and received the low rates as a junior officer with expectations of receiving the maximum \$245 per month rate between years 18 and 30. Secondly, by providing decreasing flight pay after year 18 and none after year 25, another incentive was established for retiring after 20 or 22 years rather than staying for a longer career. For example, as shown in table 14, the decrease in flight pay starting at the 18-year point for a rated lieutenant colonel is more than offset by increases in base pay at the 18, 20, and 22-year points. However, his base pay does not increase after the 22-year point and subsequent decreases in flight pay result in a corresponding decrease in total pay. Few other professions, if any, provide decreasing income as seniority grows.

It was not possible to determine if the incidence of 20-year retirement among rated officers has increased since the Act was passed. However, even if the early retirement rate has increased, it would not be a problem today. For as table 15 shows, as the force level is being reduced, the Authorized Rated Inventory (lieutenant colonel and below) currently exceeds the Authorized Rated Requirement. When requirement begins exceeding inventory (in Fiscal Year 1981 for pilots), then the 20-year retirement rate could become more critical.

TABLE 14

BASE PAY AND FLIGHT PAY FOR A RATED
LIEUTENANT COLONEL,
SELECTED YEARS

Years	Base Pay	Flight Pay	Total
Over 16	\$1,932	\$245	\$2,177
Over 18	2,043	225	2,268
Over 20	2,104	205	2,309
Over 22	2,178	185	2,363
Over 24	2,178	165	2,343
Over 25	2,178	-0-	2,178
Over 26	2,178	-0-	2,178

NOTE: Pay rates effective 1 October 1977.

TABLE 15
 AUTHORIZED RATED INVENTORY
 AND REQUIREMENT

FY	Pilot		Navigator	
	Required	Inventory	Required	Inventory
71	34,587	34,782	15,034	14,427
72	32,433	35,194	14,496	14,235
73	32,048	33,171	14,939	13,736
74	28,514	31,158	14,460	13,185
75	26,426	29,643	13,564	13,354
76	23,284	28,361	11,697	12,825
77	23,241	28,017	11,644	12,747
77	23,311	26,372	10,906	12,246
78	21,981	24,937 ^a	10,765	11,572 ^a
79	23,124	23,887 ^a	10,533	10,785 ^a
80	23,594 ^a	23,632 ^a	9,970 ^a	10,287 ^a
81	24,004 ^a	23,648 ^a	9,477 ^a	9,875 ^a

SOURCE: Officer Programs Branch, Director of Personnel Programs, Headquarters United States Air Force.

^aEstimated figures.

In summary, pay inequities are in the eyes of the beholder. For while a front-end-loaded flight pay system provides more incentive for a 20-year career, it provides less incentive for a 30-year career and represents a broken contract for those caught in the middle. Also, the perception of a broken contract is not lost on those not directly effected. Only time will tell if these disadvantages are worth the sacrifice in order to increase retention after the end of initial obligation--if in fact the new system does contribute to increased retention.

Attraction

Attraction was not a problem in the pre-Aviation Career Incentive Act Air Force and is apparently not a problem today. While no figures were available to compare before and after, nothing was found to indicate that the Act increased the attractiveness of an aviation career as hoped. Nothing was found to indicate it adversely affected attraction either.

Retention

Perhaps the primary purpose of the Act was to increase retention of rated officers. Pilot retention did go up the first year after the Act took effect on 1 June 1974. In fact, the required retention rate for pilots after eight years of aviation service was achieved in Fiscal Year 1975. However, retention fell 3.1 percent in 1976 and another 2.7 percent in 1977. This latter figure missed the required goal by 6.6 percent, the worst shortfall since Fiscal Year 1972 (see table 13).

Navigator retention is even further below its required rate. Ironically, navigator required retention at eight years of aviation service was actually exceeded by 3.1 percent in Fiscal Year 1974, the

last year before the Act became effective. Since then retention has missed the goal by 8.6, 8.7, and 9.3 percent. Clearly the Act has not increased navigator retention (see table 12).

Aviation Career Incentive Pay is not the only influence on rated officer retention. Certainly there are other internal (e.g., the new Officer Effectiveness Report) and external (e.g., the U.S. economy) factors influencing it. Surely Congress considered the possibility of other normal influences and expected the goals of the Act to be met anyway. This has not been the case with regard to retention.

Costs

Except for an increase in Fiscal Year 1975 to cover the saved-pay provisions, costs for flight pay in the Air Force have gone down each year since the Act went into effect (see table 11). However, it had also gone down each of the five previous years. The reason for this reduction can be attributed partially to the Act and partially to the shrinking of the rated force. The average cost per rated officer per year has actually grown, due partly to the increased cost of flight pay for a 20-year career--over \$5,000 more than under the old system (see table 2). Increased average costs may also be partly due to more retirements at the 20-year point.

Workability of the gate system

The workability of the new flight pay system was an implied goal. As discussed in chapter III, the annual reports to Congress show the general workability of the new gate system. Only 0.36 percent of officers qualified for aviation service at the end of Fiscal Year 1977

are not qualified for continuous flight pay. This is due in part to the liberal credit policies for the years prior to the Act becoming effective. While data shows that few officers passing through the gates the last three years are not qualifying for continuous pay through year 22, less than 9 in 10 in Fiscal Year 1977-78 qualified for pay through the 25th year. This could be a significant factor in the retention of rated officers past 20 or 22 years of service.

Recommendations

The problems associated with flight pay are complex and this thesis has been limited necessarily. Hopefully, it provides an insight into the problems that still exist after Congressional attempts to solve them through the Aviation Career Incentive Act of 1974. Unfortunately this study does not offer a panacea or even a partial solution to these problems. It does, however, offer some recommendations.

The data presented and analyzed here does show some trends that are not in keeping with the intent or purpose of the Act. These trends could produce further undesirable results in the Air Force. It therefore behooves the Air Force to start gathering the supporting data and conducting the necessary studies to determine the effectiveness and consequences of the Act within its flying corps. Now is the time to address these trends and start seeking a better solution. If changes are necessary, they should be proposed as soon as they are developed --not after Congress has identified the problems and recommended a solution. The Air Force should take the initiative on this very important issue.

One recommended area for additional study involves the attitudes

toward and acceptance of the current flight pay system by Air Force pilots and navigators. Informal discussions during the research phase of this thesis revealed that some rated personnel were unhappy with regard to reduced career flight pay for a 30-year career--enough so to strongly influence their decision to retire after 20 years. If this feeling is widespread, it could adversely affect the objective force structure and force major changes in personnel management--if 20-year retirement remains an option. An extensive survey of individual attitudes on flight pay might be helpful in establishing future policies. This is not to suggest that money is the primary motivator for rated career officers. The Services must avoid the appearance of anything approaching a mercenary attitude. However, in an increasingly complex and demanding aviation environment, with constantly rising costs of training a fully qualified pilot or navigator, positive steps taken to improve retention would probably be cost effective.

The Senate Report (Number 93-841) on the Aviation Career Incentive Act of 1974 contains the following recommendation from the Committee on Armed Services:

The committee would note that because the "gates" in the Bill represent a new concept in the flight pay system, it may be necessary for the Congress to review thoroughly the entire flight pay system again in the 1980 or so timeframe. (26:11)

Now is the time to either modify the current flight pay system or develop a new system for the Air Force which will solve its remaining flight pay problems and be acceptable to Congress and the American taxpayer. The year 1980 is just around the corner.

APPENDIX A

U.S. AIR FORCE INTERIM REPORT TO CONGRESS ON
AVIATION CAREER INCENTIVE ACT FOR FISCAL
YEARS 1976 AND 1977, SELECTED PORTIONS

USAF PILOTS QUALIFIED FOR CONTINUOUS
 AVIATION CAREER INCENTIVE PAY,
 AS OF END FY 77

Grade	Operational Flying Duty	Proficiency Flying Duty	Not Performing Flying Duty	Total
0-10				
0-9				
0-8	3		9	12
0-7	8		43	51
0-6	453		1,525	1,978
0-5	1,499		2,620	4,119
0-4	2,313	15	2,144	4,472
0-3	10,487	54	2,663	13,664
0-2	3,268		78	3,346
0-1	1,543			1,543
Total	19,574	529	9,082	29,185

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

USAF NAVIGATORS QUALIFIED FOR CONTINUOUS
AVIATION CAREER INCENTIVE PAY,
AS OF END FY 77

Grade	Operational Flying Duty	Proficiency Flying Duty	Not Performing Flying Duty	Total
0-10				
0-9				
0-8				
0-7			1	1
0-6	7		445	452
0-5	371		1,963	2,334
0-4	1,000	2	1,580	2,582
0-3	3,929	12	799	4,740
0-2	1,811		15	1,826
0-1	882			882
Total	8,000	14	4,803	12,817

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

USAF PILOTS QUALIFIED FOR AVIATION SERVICE BUT NOT QUALIFIED
FOR CONTINUOUS AVIATION CAREER INCENTIVE PAY,
AS OF END FY 77

Grade	Operational Flying Duty	Proficiency Flying Duty	Not Performing Flying Duty	Total
0-10				
0-9				
0-8				
0-7				
0-6	2		17	19
0-5	4		42	46
0-4	4		2	6
0-3				
0-2				
0-1				
Total	10		61	71

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

USAF NAVIGATORS QUALIFIED FOR AVIATION SERVICE BUT NOT QUALIFIED
FOR CONTINUOUS AVIATION CAREER INCENTIVE PAY,
AS OF END FY 77

Grade	Operational Flying Duty	Proficiency Flying Duty	Not Performing Flying Duty	Total
O-10				
O-9				
O-8				
O-7				
O-6			18	18
O-5	2		54	56
O-4	4		1	5
O-3			1	1
O-2				
O-1				
Total	6		74	80

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

APPENDIX B

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT

IN THE U.S. AIR FORCE, FISCAL YEARS

1975, 1976, AND 1977-77

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR PILOTS WHO COMPLETED
12 YEARS AVIATION SERVICE DURING FISCAL YEAR 1975

Years	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total
Grade													
0-10													
0-9													
0-8													
0-7													
0-6													
0-5							1	1	2	3	3	8	18
0-4			1			1	10	13	26	56	65	397	569
0-3							1			2		33	36
0-2													
0-1													
Total			1			1	12	14	28	61	68	438	623

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR NAVIGATORS WHO COMPLETED
12 YEARS AVIATION SERVICE DURING FISCAL YEAR 1975

Years	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total
Grade													
0-10													
0-9													
0-8													
0-7													
0-6													
0-5								2	1	2	2	3	10
0-4	2						9	10	23	33	41	287	405
0-3	1							1	2	4		37	45
0-2													
0-1													
Total	3						9	13	26	39	43	327	460

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR PILOTS WHO COMPLETED
18 YEARS AVIATION SERVICE DURING FISCAL YEAR 1975

Years	0-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	Total
Grade														
0-10														
0-9														
0-8														
0-7														
0-6		1	3	1	7	5	5	7	9	14	5	7	5	69
0-5	10	15	11	7	16	29	35	37	42	59	67	114	129	571
0-4			1	1	5	9	5	7	9	26	18	28	53	162
0-3										1		1	1	3
0-2														
0-1														
Total	10	16	15	9	28	43	45	51	60	100	90	150	188	805

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR NAVIGATORS WHO COMPLETED
18 YEARS AVIATION SERVICE DURING FISCAL YEAR 1975

Years	0-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18
Grade	Total												
0-10													
0-9													
0-8													
0-7													
0-6		1	1	1	3		1		1	2	4	4	1
0-5	12	10	13	23	20	29	31	39	28	25	39	46	69
0-4	1			1	5	4	16	12	10	13	9	10	23
0-3													
0-2													
0-1													
Total	13	11	14	25	28	33	48	51	39	40	52	60	93
													507

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR PILOTS WHO COMPLETED
12 YEARS AVIATION SERVICE DURING FISCAL YEAR 1976

Years	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total
Grade													
0-10													
0-9													
0-8													
0-7													
0-6													
0-5						1	2	2	8	5	3	3	24
0-4						2	15	52	69	87	112	406	743
0-3								2	5	6	11	33	57
0-2													
0-1													
Total						3	17	56	82	98	126	442	824

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR NAVIGATORS WHO COMPLETED
12 YEARS AVIATION SERVICE DURING FISCAL YEAR 1976

Years	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total
Grade													
0-10													
0-9													
0-8													
0-7													
0-6													
0-5								2		1	1	4	8
0-4						1	7	20	35	25	47	206	341
0-3								1		7	7	40	55
0-2													
0-1													
Total						1	7	23	35	33	55	250	404

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR PILOTS WHO COMPLETED
18 YEARS AVIATION SERVICE DURING FISCAL YEAR 1976

Years	0-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	Total
Grade														
0-10														
0-9														
0-8														
0-7														
0-6	1	1		2	1	2	1	4	10	9	13	5	4	53
0-5	2	6	8	6	20	17	30	33	50	68	88	118	242	688
0-4		1		1	6		10	6	23	25	30	48	104	254
0-3											1			1
0-2														
0-1														
Total	3	8	8	9	27	19	41	43	83	102	132	171	350	996

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR NAVIGATORS WHO COMPLETED
18 YEARS AVIATION SERVICE DURING FISCAL YEAR 1976

Years	0-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18
Grade	Total												
0-10													
0-9													
0-8													
0-7													
0-6			1	1		2	2	1	1	2	3	1	14
0-5		7	5	8	27	18	30	30	22	29	37	28	55
0-4			2	3	2	1	8	13	8	9	10	15	39
0-3													110
0-2													
0-1													
Total	7	8	12	29	21	40	44	31	40	50	44	94	420

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR PILOTS WHO COMPLETED
12 YEARS AVIATION SERVICE DURING FISCAL YEAR 1977-78

Years	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total
Grade													
0-10													
0-9													
0-8													
0-7													
0-6										1			1
0-5							1	2	5	7	2	11	28
0-4							49	92	122	135	171	482	1051
0-3							2	5	15	21	14	37	94
0-2													
0-1													
Total							52	99	142	164	187	530	1174

NOTE: Data as of 31 August 1977 projected to 30 September 1977

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR NAVIGATORS WHO COMPLETED
12 YEARS AVIATION SERVICE DURING FISCAL YEAR 1977-77

Years	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-11	11-12	Total
Grade													
0-10													
0-9													
0-8													
0-7													
0-6													
0-5							1	2	1	1	1	2	8
0-4							15	17	26	53	64	174	349
0-3						1		4	5	9	10	38	67
0-2													
0-1													
Total						1	16	23	32	63	75	214	424

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR PILOTS WHO COMPLETED
18 YEARS AVIATION SERVICE DURING FISCAL YEAR 1977-77

Years	0-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18
Grade	Total												
0-10													
0-9													
0-8													
0-7													
0-6			1		6	2	8	4	13	15	7	3	4
0-5		4	3	3	41	21	44	57	93	85	77	93	177
0-4					7	3	7	13	17	21	27	14	71
0-3											1		1
0-2													
0-1													
Total	4	4	4	3	54	26	59	74	123	121	112	110	252
													942

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

DISTRIBUTION OF OPERATIONAL FLYING DUTY CREDIT FOR NAVIGATORS WHO COMPLETED
18 YEARS AVIATION SERVICE DURING FISCAL YEAR 1977-78

Years	0-6	6-7	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	Total
Grade														
0-10														
0-9														
0-8														
0-7														
0-6				1	5	1	1	2	5	2	2	2		21
0-5		2	5	2	41	24	51	35	51	39	62	45	53	410
0-4		1	1		7	8	9	11	22	13	18	25	46	161
0-3														
0-2														
0-1														
Total	3	3	6	3	53	33	61	48	78	54	82	72	99	592

NOTE: Data as of 31 August 1977 projected to 30 September 1977.

APPENDIX C

NORMAL RATED OFFICER LOSSES,

1972-77

NORMAL RATED OFFICER LOSSES, 1972-77

TARS Yr. Grp. ^a	No. ^b	Pilots		No. ^b	Navigators	
		No. Lost ^c	%		No. Lost ^c	%
1 July 1972-30 June 1973 (FY 73)						
5	2,021	241	11.9	482	54	11.2
6	1,482	97	6.5	460	17	3.7
7	952	42	4.4	403	15	3.7
8	847	13	1.5	438	10	2.3
9	671	10	1.5	422	4	.9
10	574	11	1.9	512	10	2.0
11	559	10	1.8	576	24	4.2
12	1,127	21	1.9	979	13	1.3
1 July 1973-30 June 1974 (FY 74)						
5	2,844	1,110	39.0	693	247	35.6
6	1,798	130	7.2	399	26	6.5
7	1,403	69	4.9	441	15	3.4
8	936	31	3.3	392	10	2.6
9	862	16	1.9	447	7	1.6
10	671	9	1.3	439	14	3.2
11	572	6	1.0	532	29	5.5
12	547	7	1.3	594	31	5.2

NORMAL RATED OFFICER LOSSES, 1972-77--Continued

TARS Yr. Grp. ^a	No. ^b	Pilots No. Lost ^c	%	No. ^b	Navigators No. Lost ^c	%
1 July 1974-30 June 1975 (FY 75)						
5	3,223	1,410	43.7	828	328	39.6
6	1,750	128	7.3	411	21	5.1
7	1,661	58	3.4	360	19	5.2
8	1,308	26	2.0	421	8	1.9
9	904	18	2.0	383	8	2.1
10	845	7	0.8	429	17	4.0
11	658	9	1.4	425	13	3.1
12	560	14	2.5	496	28	5.6
1 July 1975-30 June 1976 (FY 76)						
5	3,549	1,345	37.9	900	278	30.9
6	1,836	123	6.7	467	26	5.6
7	1,627	59	3.6	369	18	4.9
8	1,613	30	1.9	340	9	2.6
9	1,282	23	1.8	414	9	2.2
10	881	24	2.7	374	20	5.3
11	837	17	2.0	411	23	5.6
12	650	13	2.0	409	14	3.4

NORMAL RATED OFFICER LOSSES, 1972-77--Continued

TARS Yr. Grp. ^a	No. ^b	Pilots		No. ^b	Navigators	
		No. Lost ^c	%		No. Lost ^c	%
1 July 1976-30 June 1977						
5	3,528	1,131	32.1	1,192	361	30.3
6	2,185	199	9.1	548	54	9.9
7	1,688	89	5.3	421	23	5.5
8	1,558	60	3.9	332	14	4.2
9	1,555	65	4.2	316	14	4.4
10	1,243	42	3.4	388	21	5.4
11	841	15	1.8	338	8	2.4
12	803	25	3.1	378	12	3.2

SOURCE: Modeling Branch, Systems Development and Support Division, Directorate of Personnel Data Systems, Headquarters Air Force Military Personnel Center. (13:1)

NOTE: Any use of these statistics must be coordinated with AFMPC/DPMDA, Randolph AFB, Texas 78148.

^aTotal Active Rated Service Year Group--reflects years of rated service.

^bNumber in TARS year group on 1 July.

^cNumber of "normal" or voluntary losses during the year; i.e., this number does not include "abnormal" losses due to involuntary Reductions in Force (RIFs). Additionally, "'normal' losses are counted where they should have occurred and not necessarily on their DOS [date of separation]. Some individuals were released from active duty prior to their Active Duty Service Commitment Date (ADSCD). These early releases are carried along as being still on active duty until the FY in which their ADSCD falls and are then counted as losses." (13:1)

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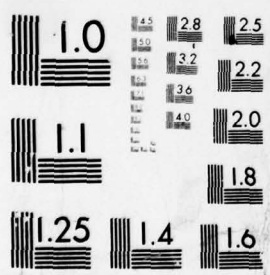
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